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fail. After age 1 the number of deaths is greatest during the year 73 to 74 ; and therefore the most probable year of death for all persons aged between 2 and 73 is the age 73 to 74. But this does not make it the normal lifetime. The figure has no such value or interest as M. Bertillon attributes to it. RICHMOND MAYO-SMITH.

Cours d'Économie Politique. Par VILFREDO PARETO. Tome Premier. Lausanne, F. Rouge, 1896. — 430 pp.

This work is comprehensive in its scope, since it is to include, when complete, a treatment of pure economics, of applied economics and of economic organization, embracing the evolution and the functions of industrial society, with a concluding book on distribution and consumption. The present volume discusses the first two of these subjects. The writer is catholic in his affiliations. Retaining concepts of classical origin, such as the notion that capital originates in consumers' goods used for the support of producers, he blends them with concepts derived from recent Austrian studies, such as the resolving of loans into exchanges of present goods for future goods.

The definitions show originality. The term utility, for example, has its ambiguities ; and Professor Pareto substitutes the word *ophélimité*, meaning capacity to satisfy any want, whether rational or irrational. One variety of capital, he argues, is the personal, consisting of laboring men. Savings, however, are not capital, but can be transmuted into it. It is in connection with this distinction that he makes the most interesting study in this volume.

The author says that savings are consumers' goods. They may be loaned to a consumer who will simply use them up, or they may be loaned to a producer who will make them over to laborers and so transmute them into capital. There is a rate of pay for the loan of savings ; but this does not depend entirely on the productivity of capital, for some savings are lent to consumers for direct use.

This conception of savings as not identical with capital might suggest the existence of two independent funds, continuing side by side. A reader might suppose that the author meant to imply that society possesses a stock of productive instruments, including tools, buildings, raw materials, *etc.*, and also a second stock of usable goods, held in storage and waiting to be dealt out to laborers. It is impossible that this should be his meaning, for no such storing of usable goods actually takes place. The consumable articles in mer-

chants' shops are, in a sense, incomplete until they are sold. They are the shopkeeper's raw materials. When they are sold, however, the consuming process begins. Particular articles for consumption that fall within the category of savings have no duration in that condition. In the prevalent nomenclature, they are the merchant's capital till they become the laborer's wages. Yet, in the author's view, savings are let for hire, although they are not capital. The rate of payment for the use of savings depends partly, but not wholly, on the productivity of capital.

What is proved by this study is the fact that the problem of interest cannot be solved by a mere study of capital goods. Business men think of capital as a permanent sum, expressible in terms of money, but not consisting of money. By a figure of speech they call interest a payment for the use of "money." By a different dialectical process Professor Pareto resolves the payment for loans into a compensation for the use of savings. In both cases something figures in the interest problem besides particular tools and materials concretely conceived.

J. B. CLARK.

Das Einkommen und seine Vertheilung. Von Dr. FRIEDRICH KLEINWÄCHTER. Leipzig, C. L. Hirschfeld, 1896. — 352 pp.

Dr. Kleinwächter's work constitutes the fifth volume of the *Hand- und Lehrbuch der Staatswissenschaften in Selbständigen Bänden*. It treats the general subject of distribution in a thorough and comprehensive manner. For a German work the style is remarkably clear and simple, the explanations are full and the illustrations are numerous and well chosen; so that even the beginner need have no difficulty in understanding the author's treatment of this most difficult department of political economy. In fact, if any criticism were ventured upon the manner of presentation, it would be that in some places the author is a trifle prolix in illustration. Why should it be necessary—to choose a single example—to devote two pages and a half to the distinction which everybody sees at a glance between nominal and real wages (*Geld- und Naturallohn*)?

The English-speaking reader is at a disadvantage in not having in general use an equivalent of the word *Einkommen*, as it is used by the author. While it is manifest that he discusses precisely the same question which American writers have discussed under the title of the distribution of wealth, it is equally evident that the German expression is in some respects preferable. It is not the